

Service Area Plan
Department of Accounts
Payroll Service Bureau (82601)

Service Area – Payroll Service Bureau

Background Information

Service Area Description

DOA operates a payroll service bureau that supports agency level payroll, leave, and certain human resource and benefit data entry activities for over 6,000 employees in 37 agencies. In addition to performing the processing responsibilities for payroll, leave accounting and benefit administration, the Payroll Service Bureau also prepares payroll related reconciliations such the monthly Healthcare reconciliation, the VRS reconciliation of retirement benefits, the administration of reciprocal taxing for non-Virginia state employees, the Quarterly and Annual Certifications of Taxable Wages and the Leave Liability Attachment to satisfy the financial reporting directive issued by DOA.

To support certain Human Resource policies relevant to payroll, the Bureau prepares and enters the monthly Employee Position Report (EPR) information and maintains the 1,500 Hour Wage Reporting for the participating agencies' wage employee rolls. It also prepares responses for any CIPPS/PMIS Exceptions that occur as a result of differences detected between PMIS and CIPPS.

Service Area Alignment to Mission

This area improves the effectiveness of processing pay for over 35 agencies in the Commonwealth.

Service Area Statutory Authority

Chapter 951 (2005 Virginia Acts of Assembly) Item 275 A. 1.

§ 2.2-803. Financial accounting and control

Unified financial accounting and control shall be established through the departments and agencies of the Commonwealth, in the manner prescribed in this chapter. The Comptroller shall prescribe what accounts shall be kept by each state agency in addition to the system of general accounting maintained in the Comptroller's office. In prescribing what accounts shall be kept by each state agency, the Comptroller shall take care that there shall be no unnecessary duplication. The Comptroller shall direct the development of a modern, effective and uniform system of bookkeeping and accounting, to include (i) an efficient system of checks and balances between the officers at the seat of the government entrusted with the collection and receipt, custody and disbursement of the revenues of the Commonwealth; and (ii) a system of accounting, applicable to all state officers, departments, boards, commissions, agencies, and penal, educational and eleemosynary institutions maintained in whole or in part by the Commonwealth, which shall be suitable to their respective needs, considering their relation to each other and their relation to subordinate officers and officials. All systems so developed shall require the approval and certification of the Auditor of Public Accounts that they are adequate for purposes of audit and financial control.

As to the operation of merchandising activities, or other centralized support services provided by one state agency to other state agencies for which charges are made, the system of accounting shall be designed to reflect all charges properly allocable so that the net profit or loss therefrom shall be reflected. In the furtherance of this objective the Joint Legislative Audit and Review Commission may direct the Comptroller to establish under such terms and conditions as they may determine internal service fund accounts on his books and record therein the receipts and expenditures of these several functions. The

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Comptroller shall provide the agencies responsible for the operations of these functions with working capital advances with which to finance the operations pursuant to appropriations made by law. The Joint Legislative Audit and Review Commission may direct the Comptroller to transfer excess fund balances to the general fund or to remove from his books internal service fund accounts that are no longer considered appropriate and record the necessary transfer of funds.

Unit prices of services rendered by internal service funds shall be fixed so that all costs properly allocable to providing the service shall be fully recoverable.

The Comptroller shall maintain a full explanation of all systems of accounting devised and adopted in furtherance of this section, but no copyright system shall be adopted that shall entail additional cost upon the Commonwealth by reason of such copyright. The systems of accounting shall be communicated by the Comptroller to the officials affected thereby, and he shall as soon as possible instruct the officials as to the systems of accounting. Should any of the state offices, departments, boards, commissions, agencies, or institutions refuse or neglect to adopt the systems of accounting developed by the Comptroller, then upon suit of the Attorney General a writ of mandamus will lie to the Supreme Court to compel the adoption. It shall be the duty of the Attorney General to promptly institute such suit in any such case.

(1975, c. 323, § 2.1-196.1; 1976, c. 533; 1984, c. 612; 2001, c. 844.)

Service Area Customer Base

Customers	Served	Potential
Agency employees paid	6,500	6,500

Service Area Products and Services

- The product for this area is the timely payment of more than 6,100 employees each pay.

Factors Impacting Service Area Products and Services

The number of agencies that utilize the benefits of the Payroll Service Bureau will affect the volume of transactions that have to be processed.

Anticipated Changes to Service Area Products and Services

Services could be expanded if other agencies decide to utilize the Service Bureau.

Service Area Financial Summary

This area receives both General Fund dollars and is reimbursed by non-general funds for services provided.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$458,979	\$0	\$458,979	\$0
Changes to Base	\$50,654	\$0	\$50,654	\$0
SERVICE AREA	\$509,633	\$0	\$509,633	\$0

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Service Area Objectives, Measures, and Strategies

Objective 82601.01

Provide high quality payroll, fringe benefit and leave administration services for agencies participating in the payroll service bureau.

This objective is intended to provide a quality service for our customers at a reasonable price.

This Objective Supports the Following Agency Goals:

- Strengthen oversight and improve agency internal controls.

This Objective Has The Following Measure(s):

Measure 82601.01.00

Achieve a satisfactory ranking on the overall customer service survey for each agency served.

Measure Type: Outcome

Measure Frequency: Annually

Measure Baseline: Achieve a satisfactory customer service ranking from all participating agencies.

Measure Target: Continue to receive a satisfactory service rating from all participating agencies.

Measure Source and Calculation: Survey is distributed to all participating agencies to determine the level of service being provided. The survey is done annually.

Objective 82601.01 Has the Following Strategies:

- Monitor customer service levels by maintaining good communications throughout the ratings period and address deficiencies immediately.